

SOUTHWESTERN MEDICAL CENTER, LLC
D/B/A MAGNA SURGICAL CENTER
COMPUTATION OF VIABILITY RATIOS.

Work Sheet for Computation of Viability Ratios:	
	Yr 2009 (PROJECTED)
Cash	131,133.36
Investments/Dues	56,398.83
Current Assets	3,061,641.50
Current Liabilities	1,061,339.25
Debt (Long term and Short term)	750,000.00
Capital	416,986.85
Net Revenue	5,337,157.22
Operating Expense	2,109,293.44
Depreciation **	300,000.00
Earnings before Interest and Taxes	357,402.40
Interest Expense	65,625.00
Net Income/Profit	292,977.40
** Depreciation figure is an estimate for Yr 2009.	
Current Ratio (Current Assets/Current Liabilities)	2.88
Net Margin % (Net Income/Net Revenue)	5.49%
% Debt to Total Capitalization (Debt/Debt+Capital)	64.27%
Debt Service Coverage Ratio (Earnings before Interest&Tax/Debt (Interest+Principal))	0.44
Cushion Ratio (Cash & Investments/Maximum debt service)	0.23
Days Cash on hand (Cash/(Operating Expenses-depreciation/365))	26.45
Notes:	
1. The Facility has plans for major capital asset additions, to the extent of \$1.1M, in Yr 2009, significant portion of which is financed by debt.	
All the ratios that are tied to debt and cash balances mentioned below are therefore affected by the above.	
- % Debt to Total Capitalization	
- Debt service Coverage	
- Cushion Ratio	
- Days Cash on hand.	